

*Legislation includes Welch Pay-As-You-Go provision*

Rep. Peter Welch supported and the House passed legislation late Thursday to permanently reform the Medicare physician payment system.

The Medicare Physician Payment Reform Act (H.R. 3961) repeals a 21 percent fee reduction scheduled for January 2010 and replaces the current formula so that it no longer requires short-term patches to fix looming fee cuts. The bill passed by a vote of 243-183.

Additionally, Welch worked with House leaders to attach a separate bill focused on fiscal reform to H.R. 3961 as it is sent to the Senate. That bill – the Statutory Pay-As-You-Go Act of 2009 (H.R. 2920), which was sponsored by Welch – ensures that new programs are paid for by cutting spending or increasing revenue. Bundling the two bills together ensures that the Senate, which has not yet taken up the PAYGO bill, will have to consider both together.

“By compensating doctors fairly, this bill ensures that seniors in rural areas like Vermont have access to medical professionals and receive the primary care they need,” Welch said. “At the same time, attaching strong fiscal reform legislation to this bill will push Congress to get its fiscal house in order and put our nation on firmer financial footing.”

H.R. 3961, which was endorsed by AARP and the American Medical Association, guarantees that Medicare beneficiaries will continue to receive the quality access to care they do today. The legislation builds on steps taken last week with the passage of historic health care reform legislation, which will lower premiums, extend the solvency of Medicare by five years, improve preventive and primary care for seniors and close the “donut hole” drug coverage gap.